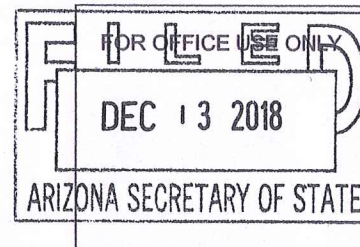




STATE OF ARIZONA

Application for Serial Number  
Initiative Petition  
A.R.S. § 19-111



The undersigned intends to circulate and file an initiative petition and hereby makes application for the issuance of an official serial number to be printed in the lower right-hand corner of each side of each signature sheet of such petition. Attached hereto is the full title and text, in no less than eight point type, of the measure or constitutional amendment intended to be initiated at the next general election.

☐ Statutory Measure

☒ Constitutional Amendment

Date of Application 12-13-2020  
Signatures Required 356,467  
Deadline for Filing July 2, 2020  
Serial Number Issued C-03-2020

The American Dream Act AZ eliminates all property taxes on the Arizona primary legal residence of United States Citizens over the age of 65.

**Lynne Weaver**

Name of Applicant

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**Prop 13 Arizona**

Committee Name

**200602844**

Committee ID No.

**Lynne Weaver**

Chairperson

**Randy Pullen**

Treasurer

**2610 E. Spring Road**

Committee Address

**Phoenix AZ 85032**

City

State

Zip

**602-900-6238**

Committee Telephone Number

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Committee E-mail Address

By submitting this Application for Serial Number and checking all boxes below, I acknowledge the following:



That I have read and understand the accompanying Instructions for Statewide Initiatives, including the Secretary of State's recommended best practices for printing copies of the Statewide Initiative Petition to be circulated.



That at the time of filing, I was provided instructions regarding accurate completion of the electronic Statewide Initiative Petition form.

Applicant Signature

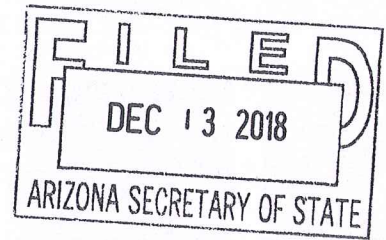
12-13-18  
Date



OFFICIAL TITLE

**American Dream Act AZ**

**AN INITIATIVE MEASURE**



PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA; REPEALING ARTICLE IX, SECTION 18 SUBSECTION 7, AND ADDING ARTICLE IX, SECTION 2, SUBSECTION 12, RELATING TO PROPERTY TAXATION.

Be it enacted by the People of the State of Arizona:

Title -- The measure shall be known as the American Dream Act AZ.

Intent -- The intent of the American Dream Act AZ is to make the Arizona primary legal residence of United States Citizens over the age of sixty-five exempt from property taxation by amending Article IX of the Arizona Constitution as follows:

2. Property subject to taxation; exemptions

Section 2. (1) There shall be exempt from taxation all federal, state, county and municipal property.

(2) Property of educational, charitable and religious associations or institutions not used or held for profit may be exempt from taxation by law.

(3) Public debts, as evidenced by the bonds of Arizona, its counties, municipalities or other subdivisions, shall also be exempt from taxation.

(4) All household goods owned by the user thereof and used solely for noncommercial purposes shall be exempt from taxation, and such person entitled to such exemption shall not be required to take any affirmative action to receive the benefit of such exemption.

(5) Stocks of raw or finished materials, unassembled parts, work in process or finished products constituting the inventory of a retailer or wholesaler located within the state and principally engaged in the resale of such materials, parts or products, whether or not for resale to the ultimate consumer, shall be exempt from taxation.

(6) The legislature may exempt personal property that is used for agricultural purposes or in a trade or business from taxation in a manner provided by law, except that the exemption does not apply to any amount of the full cash value of the personal property of a taxpayer that exceeds fifty thousand dollars. The legislature may provide by law to increase the exempt amount according to annual variations in a designated national inflation index.

(7) The legislature may exempt the property of cemeteries that are set apart and used to inter deceased human beings from taxation in a manner provided by law.

(8) There shall be further exempt from taxation the property of each honorably discharged airman, soldier, sailor, United States marine, member of revenue marine service, the coast guard, nurse corps or of any predecessor or of the component of auxiliary of any thereof, resident of this state, in the amount of:

(a) One thousand five hundred dollars if the total assessment of such person does not exceed three thousand five hundred dollars.

(b) One thousand dollars if the total assessment of such person does not exceed four thousand dollars.

(c) Five hundred dollars if the total assessment of such person does not exceed four thousand five hundred dollars.

(d) Two hundred fifty dollars if the total assessment of such person does not exceed five thousand dollars.



(e) No exemption if the total assessment of such person exceeds five thousand dollars.

No such exemption shall be made for such person unless such person shall have served at least sixty days in the military or naval service of the United States during World War I or prior wars and shall have been a resident of this state prior to September 1, 1945.

(9) There shall be further exempt from taxation as herein provided the property of each honorably discharged airman, soldier, sailor, United States marine, member of revenue marine service, the coast guard, nurse corps or of any predecessor or of the component of auxiliary of any thereof, resident of this state, where such person has a service-connected disability as determined by the United States veterans administration or its successor. No such exemption shall be made for such person unless he shall have been a resident of this state prior to September 1, 1945 or unless such person shall have been a resident of this state for at least four years prior to his original entry into service as an airman, soldier, sailor, United States marine, member of revenue marine service, the coast guard, nurse corps or of any predecessor or of the component of auxiliary of any thereof. The property of such person having a compensable service-connected disability exempt from taxation as herein provided shall be determined as follows:

(a) If such person's service-connected disability as determined by the United States veterans administration or its successor is sixty per cent or less, the property of such person exempt from taxation shall be determined by such person's percentage of disability multiplied by the assessment of such person in the amount of:

(i) One thousand five hundred dollars if the total assessment of such person does not exceed three thousand five hundred dollars.

(ii) One thousand dollars if the total assessment of such person does not exceed four thousand dollars.

(iii) Five hundred dollars if the total assessment of such person does not exceed four thousand five hundred dollars.

(iv) Two hundred fifty dollars if the total assessment of such person does not exceed five thousand dollars.

(v) No exemption if the total assessment of such person exceeds five thousand dollars.

(b) If such person's service-connected disability as determined by the United States veterans administration or its successor is more than sixty per cent, the property of such person exempt from taxation shall be in the amount of:

(i) One thousand five hundred dollars if the total assessment of such person does not exceed three thousand five hundred dollars.

(ii) One thousand dollars if the total assessment of such person does not exceed four thousand dollars.

(iii) Five hundred dollars if the total assessment of such person does not exceed four thousand five hundred dollars.

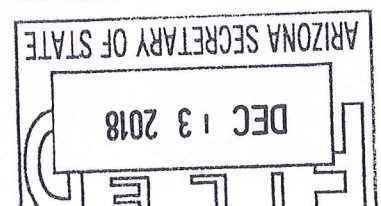
(iv) Two hundred fifty dollars if the total assessment of such person does not exceed five thousand dollars.

(v) No exemption if the total assessment of such person exceeds five thousand dollars.

(10) There shall be further exempt from taxation the property of each honorably discharged airman, soldier, sailor, United States marine, member of revenue marine service, the coast guard, nurse corps or of any predecessor or of the component of auxiliary of any thereof, resident of this state, where such person has a nonservice-connected total and permanent disability, physical or mental, as so certified by the United States veterans administration, or its successor, or such other certification as provided by law, in the amount of:

(a) One thousand five hundred dollars if the total assessment of such person does not exceed three thousand five hundred dollars.

(b) One thousand dollars if the total assessment of such person does not exceed four thousand dollars.





- (c) Five hundred dollars if the total assessment of such person does not exceed four thousand five hundred dollars.
- (d) Two hundred fifty dollars if the total assessment of such person does not exceed five thousand dollars.
- (e) No exemption if the total assessment of such person exceeds five thousand dollars.

No such exemption shall be made for such person unless he shall have served at least sixty days in the military or naval service of the United States during time of war after World War I and shall have been a resident of this state prior to September 1, 1945.

(11) There shall be further exempt from taxation the property of each widow, resident of this state, in the amount of:

- (a) One thousand five hundred dollars if the total assessment of such widow does not exceed three thousand five hundred dollars.
- (b) One thousand dollars if the total assessment of such widow does not exceed four thousand dollars.
- (c) Five hundred dollars if the total assessment of such widow does not exceed four thousand five hundred dollars.
- (d) Two hundred fifty dollars if the total assessment of such widow does not exceed five thousand dollars.
- (e) No exemption if the total assessment of such widow exceeds five thousand dollars.

In order to qualify for this exemption, the income from all sources of such widow, together with the income from all sources of all children of such widow residing with the widow in her residence in the year immediately preceding the year for which such widow applies for this exemption, shall not exceed:

1. Seven thousand dollars if none of the widow's children under the age of eighteen years resided with her in such widow's residence; or
2. Ten thousand dollars if one or more of the widow's children residing with her in such widow's residence was under the age of eighteen years, or was totally and permanently disabled, physically or mentally, as certified by competent medical authority as provided by law.

Such widow shall have resided with her last spouse in this state at the time of the spouse's death if she was not a widow and a resident of this state prior to January 1, 1969.

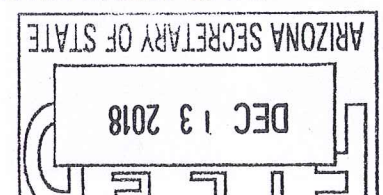
(12) EFFECTIVE JANUARY 1, 2021, THERE SHALL BE FURTHER EXEMPT FROM TAXATION THE PROPERTY THAT IS THE PRIMARY LEGAL RESDENCE OF AN OWNER WHO IS AT LEAST SIXTY-FIVE YEARS OF AGE AND WHO IS A UNITED STATES CITIZEN, EITHER NATURAL BORN OR NATURALIZED AS PRESCRIBED IN THE UNITED STATES CONSTITUTION, SUBJECT TO THE FOLLOWING:

(a) TO QUALIFY FOR THIS EXEMPTION, THE OWNER MUST APPLY TO AND FURNISH DOCUMENTATION REQUIRED BY THE COUNTY ASSESSOR, INCLUDING EVIDENCE OF THE OWNER'S AGE AND CITIZENSHIP STATUS.

(b) IF THE PROPERTY IS OWNED BY TWO OR MORE PERSONS, INCLUDING A HUSBAND AND WIFE, AT LEAST ONE OF THE OWNERS MUST BE AT LEAST SIXTY-FIVE YEARS OF AGE AND A UNITED STATES CITIZEN, EITHER NAURAL BORN OR NATURALIZED AS PRESCRIBED IN THE UNITED STATES CONSTITUTION.

(c) IF THE COUNTY ASSESSOR APPROVES THE PROPERTY TAX EXEMPTION, THE EXEMPTION IS IN EFFECT UNTIL TITLE TO THE PROPERTY IS CONVEYED TO ANOTHER PERSON. THE SUBSEQUENT OWNER MUST APPLY TO THE COUNTY ASSESSOR TO RECEIVE THIS EXEMPTION.

(d) A WIDOW/WIDOWER WHO APPLIES AND QUALIFIES FOR THE EXEMPTION PROVIDED BY THIS SUBSECTION AND THE EXEMPTION PROVIDED BY SUBSECTION (11) OF THIS SECTION IS NOT SUBJECT TO THE





LIMITS OR REQUIREMENTS PROVIDED BY SUBSECTION (11) OF THIS SECTION AND MAY RECEIVE THE EXEMPTION AS PROVIDED BY THIS SUBSECTION.

(e) THIS EXEMPTION DOES NOT APPLY TO PROPERTY THAT IS OWNED BY A CORPORATION, COMPANY, PARTNERSHIP, LIMITED LIABILITY COMPANY, FIRM, ASSOCIATION OR SOCIETY.

(f) FOR THE PURPOSES OF THIS SUBSECTION:

1. "OWNER" MEANS THE NATURAL PERSON WHO IS THE OWNER OF RECORD AND INCLUDES A NATURAL PERSON WHO OWNS THE MAJORITY BENEFICIAL INTEREST OF A LIVING TRUST.

2. "PRIMARY LEGAL RESIDENCE" MEANS ALL OWNER-OCCUPIED REAL PROPERTY AND IMPROVEMENTS TO THAT REAL PROPERTY IN THIS STATE THAT IS A SINGLE-FAMILY HOME, CONDOMINIUM OR TOWNHOUSE OR AN OWNER-OCCUPIED MOBILE HOME AND THAT IS USED FOR RESIDENTIAL PURPOSES.

~~(12)~~ (13) No property shall be exempt which has been conveyed to evade taxation. The total exemption from taxation granted to the property owned by a person who qualifies for any exemption in accordance with the terms of subsections (8), (9), (10) or (11) shall not exceed one thousand five hundred dollars. The provisions of this section shall be self-executing.

~~(13)~~ (14) All property in the state not exempt under the laws of the United States or under this constitution or exempt by law under the provisions of this section shall be subject to taxation to be ascertained as provided by law.

18. Residential ad valorem tax limits; limit on increase in values; definitions

Section 18. (1) The maximum amount of ad valorem taxes that may be collected from residential property in any tax year shall not exceed one per cent of the property's full cash value as limited by this section.

(2) The limitation provided in subsection (1) does not apply to:

(a) Ad valorem taxes or special assessments levied to pay the principal of and interest and redemption charges on bonded indebtedness or other lawful long-term obligations issued or incurred for a specific purpose.

(b) Ad valorem taxes or assessments levied by or for property improvement assessment districts, improvement districts and other special purpose districts other than counties, cities, towns, school districts and community college districts.

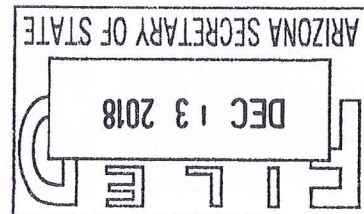
(c) Ad valorem taxes levied pursuant to an election to exceed a budget, expenditure or tax limitation.

(3) Except as otherwise provided by subsections (5), (6) and (7) of this section:

(a) Through tax year 2014, the value of real property and improvements and the value of mobile homes used for all ad valorem taxes except those specified in subsection (2) shall be the lesser of the full cash value of the property or an amount ten per cent greater than the value of property determined pursuant to this subsection for the prior year or an amount equal to the value of property determined pursuant to this subsection for the prior year plus one-fourth of the difference between such value and the full cash value of the property for current tax year, whichever is greater.

(b) For the purposes of taxes levied beginning in tax year 2015, the value of real property and improvements, including mobile homes, used for all ad valorem taxes shall be the lesser of the full cash value of the property or an amount five per cent greater than the value of property determined pursuant to this subsection for the prior year.

(4) The legislature shall by law provide a method of determining the value, subject to the provisions of subsection (3), of new property.





(5) The limitation on increases in the value of property prescribed in subsection (3) does not apply to equalization orders that the legislature specifically exempts by law from such limitation.

(6) Subsection (3) does not apply to:

(a) Property used in the business of patented or unpatented producing mines and the mills and the smelters operated in connection with the mines.

(b) Producing oil, gas and geothermal interests.

(c) Real property, improvements thereto and personal property used thereon used in the operation of telephone, telegraph, gas, water and electric utility companies.

(d) Aircraft that is regularly scheduled and operated by an airline company for the primary purpose of carrying persons or property for hire in interstate, intrastate or international transportation.

(e) Standing timber.

(f) Property used in the operation of pipelines.

(g) Personal property regardless of use except mobile homes.

(7) A resident of this state who is sixty-five years of age or older may apply to the county assessor for a property valuation protection option on the person's primary residence, including not more than ten acres of undeveloped appurtenant land. To be eligible for the property valuation protection option, the resident shall make application and furnish documentation required by the assessor on or before September 1. If the resident fails to file the application on or before September 1, the assessor shall process the application for the subsequent year. If the resident files an application with the assessor on or before September 1, the assessor shall notify the resident whether the application is accepted or denied on or before December 1. The resident may apply for a property valuation protection option after residing in the primary residence for two years. If one person owns the property, the person's total income from all sources including nontaxable income shall not exceed four hundred per cent of the supplemental security income benefit rate established by section 1611(b)(1) of the social security act. If the property is owned by two or more persons, including a husband and wife, at least one of the owners must be sixty-five years of age or older and the owners' combined total income from all sources including nontaxable income shall not exceed five hundred per cent of the supplemental security income benefit rate established by section 1611(b)(1) of the social security act. The assessor shall review the owner's income qualifications on a triennial basis and shall use the owner's average total income during the previous three years for the review. If the county assessor approves a property valuation protection option, the value of the primary residence shall remain fixed at the valuation determined pursuant to subsection (3) that is in effect during the year the property valuation protection option is filed and as long as the owner remains eligible. To remain eligible, the county assessor shall require a qualifying resident to reapply for the property valuation protection option every three years and shall send a notice of reapplication to qualifying residents six months before the three-year reapplication requirement. If title to the property is conveyed to any person who does not qualify for the property valuation protection option, the property valuation protection option terminates, and the property shall revert to its current full cash value.

(8) (7) The legislature shall provide by law a system of property taxation consistent with the provisions of this section.

(9) (8) For the purposes of this section:

(a) "Owner" means the owner of record of the property and includes a person who owns the majority beneficial interest of a living trust.

(b) "Primary residence" means all owner occupied real property and improvements to that real property in this state that is a single family home, condominium or townhouse or an owner occupied mobile home and that is used for residential purposes.

